

LEAD INDUSTRIES ASSOCIATION

60 EAST 42ND STREET

NEW YORK 17, N. Y.

November 12, 1959

SUBJECT: INDUSTRY DEVELOPMENT FUND
RECOMMENDED BUDGET FOR 1960

To the Industry Development Committee
of the Lead Industries Association

On the following page you will find:

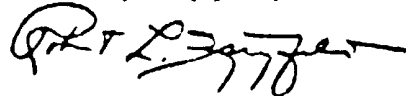
- (1) the Industry Development budget which was approved last year for 1959, a
- (2) the estimated actual expenditures in 1959,
- (3) recommended budget figures for 1960.

Immediately following these budget data is an estimate of our cash position at the end of 1959, together with information regarding the subscription rates per ton for both 1959 and 1960. Each item in the budget is numbered and is explained in more detail on subsequent pages under the same number.

It was agreed last year to eliminate the various promotional divisions, use up the reserves in their accounts, and combine the accounts into one Industry Development Fund. As a result, the budget data are presented in consolidated form differing from previous presentations.

It should be noted that authorization was given last year to draw \$52,000.00 from reserves and that approximately \$43,000.00 was actually thus used. It should also be noted that income from subscriptions in 1959 was \$16,000.00 less than estimated.

Very truly yours,



Treasurer



INDUSTRY DEVELOPMENT FUND BUDGET

	Approved 1959	Estimated Expenditures 1959	Recommended 1960
Publications:			
1 "Lead"	\$ 21,000	\$ 21,000	\$ 22,000
2 Architectural Flyers & Construc- tion Bulletins	6,000	4,000	5,000
3 Reprints	1,000	1,500	2,000
4 Ceramic Supplements	4,000	7,500*	3,000
5 Pigment Technical Letters	6,000	1,200	3,000
6 Sweet's Catalogs	8,000	6,500	7,000
7 Battery Brochure	2,500	2,500	--
8 Shielding Flyers	3,000	--	--
9 "Lead Work for Modern Plumbing"	--	--	3,000
10 Architect's Handbook	8,000	--	--
11 Total Publications	59,500	44,200	45,000
12 Publicity	7,500	7,500	7,500
13 Conventions & Exhibits	16,000	15,000	15,000
14 Apprentice Contest	500	600	600
Advertising:			
15 Product Design	12,000	12,000	12,000
16 Construction (Metals)	6,000	6,000	10,000
17 Pigments	14,000	14,000	9,000
18 Ceramics	13,000	13,000	10,000
19 Total Advertising	45,000	45,000	41,000
Administrative & Technical Service:			
20 Salaries & Taxes	89,500	86,000	85,000
21 Rent	5,000	5,000	7,000
22 Consulting Fees	5,500	2,000	3,000
23 Travel	19,000	18,000	17,000
24 Test Programs	1,500	1,500	1,500
25 Entertainment & Lunches		1,500	1,500
26 Meetings		1,000	1,000
27 Mailing		1,500	1,500
28 Association Dues	11,000	500	500
29 Telephone & Telegraph		700	700
30 Books & Subscriptions		500	500
31 Miscellaneous & Contingencies		4,000	4,000
32 Total Administrative & Technical Service	131,500	122,200	123,200
33 Promotion of Research Results	--	--	30,000
34 Total Basic Budget	260,000	234,500	262,300
New Projects:			
35 Motion Picture	--	--	50,000
36 Business Paper Advertising	--	--	20,000
37 Sweet's Design Catalog	--	--	6,500
38 Solder	--	--	3,000
39 Radiation Shielding	--	--	6,500
40 Chemical Construction	--	--	6,000
41 Total New Projects	--	--	92,000
GRAND TOTAL	\$260,000	\$234,500	\$354,300

* Includes \$3,300 from reserves set up in 1958.

INDUSTRY DEVELOPMENT FUND BUDGET

	Estimated at Beginning of <u>1959</u>	Estimated as of <u>November 12, 1959</u>
Balance, January 1, 1959	80,000	80,000
Receipts, 1959	<u>208,000</u>	<u>192,000</u>
	288,000	272,000
Expenditures, 1959	<u>260,000</u>	<u>235,000</u>
Balance, January 1, 1960	28,000	37,000

Subscription rate per ton 30¢ in 1959.

Estimated rate for basic budget in 1960 would be 40¢ per ton.

For each 1¢ per ton subscription rate it is estimated that \$6,800 would be subscribed.

EXPLANATION OF
INDUSTRY DEVELOPMENT FUND BUDGET ITEMS

1. "Lead." This eight-page quarterly external house organ, printed in two colors and circulated to over 50,000 people, is now entering its thirtieth consecutive year of publication. It is the source of many valuable inquiries. It should be continued. If any change is made, it should be in the direction of larger circulation, more frequent issues, more pages, or more colors. It promotes all lead products, new and old, metals or chemicals.
2. Architectural Flyers and Construction Bulletins. Three Construction Bulletins have been circulated to architects and builders in the past. They give detailed specifications and installation information on specific lead building products. Their continued publication was recommended by Skidmore, Owings & Merrill. This firm also recommended a series of flyers for architects, each describing a particular construction job involving lead and how it was used. Two have been issued and they should be continued.
3. Reprints. These are principally staff prepared technical articles that appear in the trade press and are reprinted for special distribution and for answering inquiries. They may deal with any lead product but often have to do with lead for chemical construction or radiation shielding. Three reprints were circulated this year and a fourth is expected soon.
4. Ceramic Supplements. These are additions to our technical data book, "Lead in the Ceramic Industries," designed to keep the book up to date. Four have been issued, two of them, one two-page and one eight-page, in 1959. They may cover any application of lead in ceramics.
5. Pigment Technical Letters. While devoted primarily to red lead primers in the past, these may now be devoted to technical information on paints using any lead pigments. Fourteen have been issued in the past, but since our supply of many issues is exhausted, a new "Letter" summarizing the best paints in earlier letters is badly needed.
6. Sweet's Catalogs. For two years we have had two four-page catalogs on lead roofing and flashing and lead plumbing in Sweet's files for architects and for light construction builders. If lead is to be sold for these purposes, we believe it to be almost a "must" to continue these, and in this Skidmore, Owings and Merrill concurred.
7. Battery Brochure. This brochure on lead-acid battery-powered industrial trucks is almost completed and should be ready for circulation early in 1960, its cost being covered in the 1959 budget. No provision, therefore, need be made for it in 1960.

Explanation of Industry Development Fund Budget Items

Page 4

8. Shielding Flyers. In lieu of these flyers on radiation shielding, an opportunity was presented to prepare a comprehensive article on the subject for "Materials in Design Engineering." Since this would give the subject much wider circulation at no cost, we concentrated on this article, which, the editor informs us, has been accepted for publication although the date has not been scheduled. We expect to obtain reprints under Item 3.
9. "Lead Work for Modern Plumbing." Our supply of this plumbing textbook, which has gone through three printings, is again exhausted. Another 3,000 copies should now be printed but, since this book is sold, the cost will be recovered over the next three to five years.
10. Architect's Handbook. Work was not started on this rather expensive piece of literature recommended by Skidmore, Owings and Merrill, partly because of lack of time and partly because income was less than estimated in 1959. Also, only part of the cost was budgeted. It is felt that publication of this book should be delayed until 1961 when it is hoped that, upon retirement of our field man, who has specialized in plumbing and sheet lead work, he can be replaced by a man with broader architectural or construction experience. The book could be more effectively promoted that way.
11. Total Publications. The total recommended for publications in the 1960 budget is approximately 25 per cent less than approved for 1959. However, we believe it gives us a realistic coverage of a variety of lead products in which market opportunities exist, within our ability to produce in good quality.
12. Publicity This work is handled through our agency and covers preparation of feature articles on any lead products for the trade press. A number of articles have been published and we believe the work should be continued as it does not duplicate publicity work done by the staff itself, since the material does not generally go into the technical detail of staff-produced articles and is more general in nature.
13. Conventions and Exhibits. These involve displays at the Design Engineering Show, the Chemical Show, the Home Builders Show, and the Plumbers Show, the same as in 1959. All except the last include a wide variety of lead products, both metal and chemical, and offer a good opportunity to display new products.
14. Apprentice Contest. We believe the modest cost of supplying materials and prizes for this contest, which includes a week's course for training instructors, is money well spent and should be continued.
15. "Materials in Design Engineering" and "Product Engineering." Six advertising pages in the former and seven in the latter were used for the first time this year. We believe the same schedule should be continued. These ads tell about modern uses of lead to a large number of people engaged in the development and engineering of all kinds of industrial products. They can create new thinking about lead and encourage others to experiment with lead in any form in the solution of problems.

Explanation of Industry Development Fund Budget Items

Page 5

16. Construction (Metals). This year we used six pages in "Engineering News-Record" to promote metallic lead products. We believe that nine pages should be devoted to these products in 1960. Our experience with this publication has been highly gratifying, both the number and quality of inquiries being exceptional. Our ads have been rated high in readership and attention.
17. Pigments. Seven pages in "Engineering News-Record" and six in "Marine Engineering/Log" were used to promote red lead primers in 1959. It is proposed to reduce the number of pages in the former to four, maintain the six-page schedule in the latter, and use ~~those~~ ^{three} pages of our present schedule in "Metal Product Manufacturing," now devoted to ceramics, for paints such as lead pearl pigments and others suitable for baked enamel finishes on home appliances, where no lead is now used. In view of a competitive situation among our manufacturing members in which some are now strongly promoting basic lead silico-chromate against red lead, our advertising on structural steel primers will have to be more general in nature. Also, some members are now spending large sums on advertising their own primers.
18. Ceramics. Although the Ceramics Technical Committee recommends the same advertising budget for 1960 as for 1959, this recommendation has been slightly modified as a result of the heavy schedule on ceramics in the past. Three instead of six pages would be used in "Metal Product Manufacturing" (see Item 17). Six pages would again be used in the "Ceramic Society Bulletin," but four instead of six pages would appear in "Ceramic Industry," "Ceramic Age" and "Brick and Clay Record," and three instead of six in "Ceramic News."
19. Total Advertising. The foregoing recommendations would reduce total space advertising cost about \$4,000.00 or nearly 10 per cent. Some changes in exact space used might be decided upon after further consultation with our agency. For example, it might be found advisable to use six 3/4-page or eight 1/2-page ads in a certain publication instead of four full pages at no change in cost.
20. Salaries and Social Security Taxes. Because of the somewhat confused situation existing in lead primers, the need to be less specific and technical in our sales approach as a result thereof, and the large sums being spent to promote certain lead primers by individual members, it seems advisable to dispense with the services of our part-time technical paint field man. Thus 1960 salaries are expected to be somewhat lower than in 1959.
21. Rent. In anticipation of moving to larger office space as already approved by the Executive Committee, a somewhat higher allowance is made for rent to take care of this Fund's share of the increase.
22. Consulting Fees. These are to provide for our regular consultants on paints and ceramics whose services are utilized on a per diem plus expense basis.
23. Travel. Elimination of a part-time paint field man should reduce travel expense somewhat.

Explanation of Industry Development Fund Budget Items

Page 6

24. Test Programs. From time to time we are called upon to have modest tests made to evaluate a lead product (as in paint formulation tests, most of the cost of which is borne by manufacturing members) or to determine a cause of trouble or failure of a lead product (part of technical service).
- 25-31. These items would all appear to be self explanatory, with budget estimates based on past experience.
32. Total Administrative and Technical Service. The total for these purposes recommended for 1960 thus approximates the total estimated expenditures for 1959.
33. Promotion of Research Results. For the first time it appears that the Expanded Research Program will have arrived at results in several projects that will be ready for the promotion stage. To be more specific, it is expected that promotion will be necessary on sound and vibration attenuation, continuous cable sheath extrusion, impressed current anodes, and perhaps certain ceramic applications sometime during the year. Major cost would doubtless be concentrated on the sound and vibration projects, the others being relatively minor expenditures. None of this \$30,000.00 would actually be spent until specific promotional activities with more accurately estimated costs are presented to the Committee and approved by it.
34. Total Basic Budget. The total basic budget, composed of all the foregoing items would approximate that approved for 1959 and would be higher than that actually spent in 1959 only by the amount set aside for promotion of research results.

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In addition to Items 1 to 34 covered in the basic budget, several other new projects should be considered, as follows:

35. Motion Picture. In accordance with the whole concept of encouraging people to take a new look at lead in the light of modern technology, a motion picture to tell the broad story of the modern usage of lead should be most helpful. This should not be a dry recitation of lead's many uses nor of its history and antiquity. It should, rather, be an exciting dramatization of the employment of both old and new lead products in modern technology, with emphasis on research and some crystal gazing into the future. It should be about a half-hour film for showing to business, civic, technical, school and other groups, with one or more shorter versions, cut from the original, suitable for television showing.
36. Business Paper Advertising. It is felt that it would be most valuable in creating modern thinking about lead among business and technical leaders and in suggesting new applications, if the Association could undertake a modest advertising campaign in one or more such publications as "Business Week" or "Scientific American." The same approach, dramatic presentation of modern uses and the properties of lead that make them possible, is envisaged.

Explanation of Industry Development Fund Budget Items

Page 7

37. Sweet's Design Catalog. To support the present advertising in "Materials in Design Engineering" and "Product Engineering," it might be wise to insert about a 12-page catalog in Sweet's Design Engineering File, which has a circulation of nearly 20,000 design engineers in all industries. Such a catalog would be designed around the properties of lead with examples of practical applications of these properties.
38. Solder. Now that the "Soldering Manual" has been published, our Solder Committee has suggested that solder use might be expanded if industry understood more fully just what solder can do and how to use it to take full advantage of its properties. It was suggested that a series of round-table meetings in different parts of the country, to which solder users would be invited, be sponsored and addressed by a panel of experts from our members who make solder. Another suggestion was to issue a series of flyers showing in a practical way how solder has been used to advantage in specific instances to solve a joining problem.
39. Radiation Shielding. It has been suggested that a survey be made to determine how much lead is being used for atomic shielding, in what forms, what is the competition, what applications appear to offer best future possibilities, and what can be done to take advantage of and foster these possibilities. It is believed that such a survey might be competently made by "Nucleonics" magazine at a cost of not more than \$2,000.00. It has further been suggested that, although several members now advertise lead products in "Nucleonics," there is a place for an Association campaign using a different approach. The idea would be to emphasize that lead is available for shielding in all sorts of forms, such as castings, sheet, shot, powder, lead-plastic combinations, and bonded to steel or other metals for strength, and thus to demonstrate that lead can be fabricated easily to meet all shielding requirements. Another suggestion is that LIA should engage a competent firm or individual to work with potential users of shielding materials and show them how to use lead most effectively and economically for shielding.
40. Chemical Construction. To fortify our work already being done in this field, such as articles on how lead is used in the production of various chemicals, field visits, Chemical Show displays, and advice on the suitability of using lead in contact with various chemicals, it is suggested that advertising should be run in "Chemical Engineering," which now contains relatively little advertising on lead.
41. Total New Projects. Items 35 to 41 are all worthy of consideration, but any or all may be beyond the Association's means at this time. In the interest of future planning, the Industry Development Committee should at least explore their possibilities, as well as others which may be suggested from time to time.